

The Honorable Marsha J. Pechman

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

IN RE WASHINGTON MUTUAL
MORTGAGE BACKED SECURITIES
LITIGATION,

This Document Relates to: ALL CASES

MASTER CASE NO. C09-037 MJP

**DECLARATION OF HECTOR J.
VALDES IN SUPPORT OF
DEFENDANTS' REPLY IN FURTHER
SUPPORT OF THEIR MOTION FOR
SUMMARY JUDGMENT**

*Declaration of Hector J. Valdes in Support of
Defendants' Reply in Further Support of Their Motion
for Summary Judgment: (CV09-037 MJP)*

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1 I, HECTOR J. VALDES, hereby declare as follows under penalty of perjury pursuant
2 to 28 U.S.C. § 1746:

- 3 1. I am an attorney at law licensed to practice in the State of New York. I am
4 associated with the firm of Cravath, Swaine & Moore LLP, counsel of record
5 for defendants WaMu Asset Acceptance Corp. and WaMu Capital Corp.
6 (collectively, the "WaMu Defendants") in this action. By virtue of my
7 representation of the WaMu Defendants in this matter, I have personal
8 knowledge of the facts set forth below, or knowledge based on information and
9 belief, and could and would testify competently to those facts if called to do so.
- 10 2. In connection with drafting the Reply Brief in Further Support of Defendants'
11 Motion for Summary Judgment, I supervised a team of attorneys and legal
12 assistants in conducting a review of the electronic loan files produced in
13 discovery in this matter (JPMWaMuMBSLF0000000001 to
14 JPMWaMuMBSLF0008440993). Specifically, the team ran electronic
15 searches to identify the potential universe of loan files in which Washington
16 Mutual Bank's ("WMB") Downey office or Montebello office (also known as
17 Commerce) was identified as the originating office or loan fulfillment center
18 ("LFC"). After running the search, we sorted the results to segregate only the
19 loans that back the particular tranches at issue in this litigation. I then
20 supervised the team in conducting a manual review of the resulting loan files to
21 determine whether each loan was actually originated at the Downey or
22 Montebello office, or instead was a false hit captured by our search only due to
23 other reasons (such as a property address in the California cities of the same
24 names). In those few instances where we found that the information in the
25

loan file was unclear regarding the appropriate originating office or LFC, we resolved the uncertainty in favor of including those loans in our count.

3. Based on the review described above, we determined that a maximum of 67 loans backing the tranches at issue were originated at WMB's Downey or Montebello offices.
4. The following is a list of the loan numbers that we included in the total reported in ¶ 3. As explained above, this includes some loans that likely were not originated at Downey or Montebello but which we included on our list as a measure of conservatism:

681399960	3061345652	3062755982
702344995	3061345959	3062758309
710599671	3061346031	3062759455
3011093758	3061346635	3062760412
3011124900	3061346734	3062760487
3011136201	3061927756	3062760511
3011242066	3061928184	3062760693
3011467283	3061928549	3062761352
3011467325	3061928846	3062761659
3011468018	3061929588	3062761725
3011470337	3061929695	3062762012
3011476268	3061930115	3062762038
3011511023	3061930800	3062762186
3011519018	3061931394	3062762509
3011519505	3061931865	3062762871
3011534835	3061932145	3062762970
3012009852	3061932178	3062763044
3012039321	3062748706	3062763127
3012209775	3062749431	3062763192
3061344374	3062750231	3072595121
3061345231	3062751502	3072655057
3061345314	3062751684	
3061345348	3062755826	

5. Attached as Exhibit 128 is a true and correct copy of the Notice of Pendency of Class Action, dated April 27, 2012 (Docket No. 410-1).

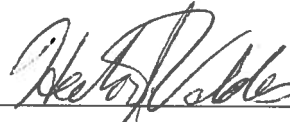
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6. Attached as Exhibit 129 is a chart listing various news articles relating to the availability of stated income loans to non-self-employed borrowers. Also attached are the news articles referenced in the chart.
7. Attached as Exhibit 130 is a true and correct copy of an email from Anne Box to Defendants' counsel sent on April 26, 2012.
8. Attached as Exhibit 131 is a true and correct copy of the Expert Rebuttal Report of John Graham, dated March 30, 2012.
9. Attached as Exhibit 132 is a true and correct copy of the Expert Report of Professor Anne Zissu, Ph.D. in Support of Plaintiffs' Motion for Class Certification, dated March 10, 2011, as previously filed with the Court by Plaintiffs in redacted form (Docket No. 226-1).

EXECUTED this 25th Day of May, 2012, at New York, New York.

By: _____



Hector J. Valdes

CERTIFICATE OF SERVICE

I hereby certify that on the 25th day of May, 2012, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

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10 DATED this 25th day of May, 2012 at Seattle, Washington.

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